GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2019
ANSWERED ON:28.07.2016
Low Fare Offers of Private Airlines
Prabakaran Shri K.R.P.;Teacher Smt. P.K.Sreemathi

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government is aware about many of the private flight operators announcing low fare offers but in the prescribed period no tickets are available on the offered rate;

(b) if so, the details thereof; and

(c) the action taken by the Government against such private airlines?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) to (b): Air fare pricing enables airlines to respond the demand / supply and market dynamics through the Inventory Management Process. The domestic airline pricing runs in multiple levels [bucket or RBD (Reservation Booking Designator)] which are in line with the practices followed globally. Usually, the lower levels of fare in fare bucket are assigned to advance purchase (popularly known as Apex Fares) bookings (e.g. up to 90,60,30,14 and 07 days before departure). As time lapses and date of journey approaches, (within 07 days of date of departure), the fares in higher side of fare bucket become available for purchase.

(c): Air fares are not regulated by the Government. Under the provision of prevailing regulation (Sub Rule (1) of Rule 135 of the Aircraft Rules, 1937), every air transport undertaking engaged in scheduled air services are required to establish tariff having regard to all relevant factors, including the cost of operation, characteristics of services, reasonable profit and the generally prevailing tariff. The fares so established, are required to be displayed by the airlines on their websites in compliance of Sub Rule 02 of Rule 135, Aircraft Rule, 1937. Airlines remain compliant to the regulations as long as the fare charged by them does not exceeds the fare structure displayed on their website.